

THIRD INTERNATIONAL EXPERT MEETING ON SUSTAINABLE CONSUMPTION AND PRODUCTION (SCP)

Stockholm, Sweden (26 – 29 June 2007)

Context to the 10-Year Framework of Programmes: An NGO Perspective

Summary of the key points

1. It will not suffice to reinforce the greening of individual consumer behaviour, nor will it suffice to improve existing technologies along value chains and resource webs. We have to go beyond attempts to make individual consumption more sustainable by thinking about system-wide basic innovations, and aiming for substantial societal and structural change.
2. It will not suffice to focus on the environmental sustainability of these systems; questions of value creation and wealth distribution, power, visions, and social learning have to be addressed as well.
3. The dynamics for reducing demand for resources are in the hands of industry and most importantly in those of governments who have an obligation to act on behalf of the common good (as policy makers and regulatory bodies).
4. It will not suffice to be concerned only with the sustainability of production and consumption systems. Human population growth remains the other major driver of global ecological change and is capable of overwhelming gains made toward sustainable production and consumption. Efforts to reduce energy and material consumption must be accompanied by efforts to reduce both population growth and the total human population.

A world in crisis desperately needs sustainable production and consumption patterns

We have reached a unique point in history. The unsustainable consumption and production trends of the world's wealthy minority have already surpassed the Earth's ecological carrying capacity, and thus constitute a significant long-term threat to humanity as a whole (see *Living Planet Report*, WWF, 2006). It is, therefore, no longer an option to not adopt ecologically- and socially-sustainable economic systems if we are

to provide not only the basic needs for all, and allow every individual to thrive, but to do so without undermining our life-support systems. It is a matter of grave concern that the world community is far from being on track towards sustainable modes of production and consumption. Achieving sustainability compels us to recognize that the human economy is a subsystem of, and entirely dependant upon, the larger ecological system, but is currently depleting the latter.

Without healthy and resilient ecosystems, social sustainability cannot be achieved, and is indeed undermined. The recent UN Millennium Ecosystem Assessment concludes that 60% of the world's ecosystem services are highly degraded or failing, and that further degradation of these ecosystems is a barrier to achieving the Millennium Development Goals (MDGs). Regrettably, the consequences of this eco-degradation are being borne disproportionately by the poor. These alarm bells are not new— in 1992, some 1700 of the world's leading scientists, including the majority of Noble laureates in the sciences, came together and issued a "Warning to Humanity". The introduction stated that:

Human beings and the natural world are on a collision course. Human activities inflict harsh and often irreversible damage on the environment and on critical resources. If not checked, many of our current practices put at serious risk the future that we wish for human society and the plant and animal kingdoms, and may so alter the living world that it will be unable to sustain life in the manner that we know. Fundamental changes are urgent if we are to avoid the collision our present course will bring about (UCS, 1992).

The good news

The good news is that we now also have unprecedented knowledge about our planet, and about how to create a culture of sustainability. Only by applying this knowledge can we preserve the possibility of an exciting and fulfilling life for everyone, everywhere, now and in the future.

Governments must be held accountable

Democratically-elected governments, ostensibly accountable to their citizens, have not kept their promises made through the United Nations. Today we are asking that they assume their solemn responsibilities and begin immediate and effective action.

Past commitments on sustainable consumption and production made through the UN

The need to move towards SCP was highlighted explicitly in the Rio Earth Summit's Declaration and in Agenda 21, and reiterated by the international community a number of times after that (Rio + 5; Johannesburg 2002; Millennium Summit). At the 1992 UN Conference on Environment and Development, 180 Heads of State agreed that "to achieve sustainable development and a higher quality of life for all people, States should reduce and eliminate their unsustainable patterns of production and consumption...", and that developed countries should take the lead. To date, 191 countries have signed on to this agreement. Where is the significant change that has been committed to over 15 years ago?

Sustainable consumption and production: the framework for sustainability

Sustainable consumption and production is the material heart of sustainable development. It is not just another overarching theme; it is the mainstay of the framework that will enable us to meet the consumptive needs of all (as articulated in the MDGS, among others) within the ecological carrying capacity of the planet. SCP can ensure that we use natural resources and ecosystem services without destroying the systems that produce them, and that these resources are distributed equitably to feed, clothe, house and meet all the basic needs of a growing human population.

[NB: How do we ensure the 'equitable distribution' of resources and the goods and services produced from them? This is an ethical and political question that goes beyond SCP.]

Addressing driving forces and root causes of unsustainable patterns

To change production and consumption patterns, NGOs firmly believe we need to address root causes, including the forces that drive the economy to misdirect production and induce people to over consume. We must also pull down the barriers that prevent real change from happening. Some key barriers are identified below.

Lack of political will

A general lack of political will is a major obstacle to change. Typical short-term political mandates are incompatible with the long-term nature of the (un)sustainability conundrum. Indeed, cumulative short-term decisions can undermine long-term sustainability goals. The problem is exacerbated by the force of powerful lobbies that strongly pressure politicians and governments to favour immediate private economic interests over the longer term greater public good.

The costs argument

The fact that there are costs associated with deep, meaningful change has led to much foot-dragging. However, it is simply bad economics to ignore the vastly greater costs of not acting, as recently demonstrated in the Stern Report:

Using the results from formal economic models, the Review estimates that if we don't act, the overall costs and risks of climate change will be equivalent to losing at least 5% of global GDP each year, now and forever. If a wider range of risks and impacts is taken into account, the estimates of damage could rise to 20% of GDP or more. In contrast, the costs of action – reducing greenhouse gas emissions to avoid the worst impacts of climate change – can be limited to around 1% of global GDP each year (Stern Review, *Summary of Conclusions*, p. vi).

The benefits of change

Every important structural decision implies benefits as well as costs. Focusing only on the latter ignores the tremendous direct and multiplier-effect *benefits* of redesigning entire economies around clean, safe and renewable energy and low-Footprint lifestyles. Imagine a

bright-green future where modes of transportation are quiet, fast and efficient; where local economies are resilient; where production and consumption are primarily local; where the needs of all citizens are actually met, and where creativity and positively contributing to society are encouraged and rewarded. Surely this is more desirable than an economic system guided exclusively by production efficiency and the growth imperative, by consumer wants and the lopsided "ability to pay".

Reconnection with ethics and transpersonal values

We have to ask ourselves whether or not consumption is really capable of delivering improved quality of life in its fullest sense. The quality of life debates are mostly limited by their reference only to economic models, concepts and tools. What we have to integrate is the overarching question of how everyone can have a "good life", which includes a spiritual dimension, which is different from the constant search for a "lifestyle" measured in economic terms. Beyond the aspects of quality of life achieved through consumption, the elements of civic, cultural and spiritual quality of life need serious consideration and space to develop. Civic quality of life – family, community and society – may be impaired if social activity are primarily geared around shopping and consumption. Religious and spiritual life is, according to all major traditions, about the transpersonal, altruistic, and self-regulating, and thus opposite to the economic assumption of self-serving consumerism.

Understanding the Role of SCP

There is a misunderstanding and disagreement (genuine or simply feigned in support of short-term self-interest) about the role and importance of "sustainable consumption and production". If we are genuinely interested in long-term sustainability, then we must acknowledge the central roles played by our individual behaviours and our collective behaviour as a species. The simple facts are that over-consumption and social inequality dominate our relationships both to each other and to the natural world. If we are not able to agree on the factors that are exacerbating social and ecological tensions, and on how to overcome them, then the chances of making effective progress are small.

The costs of pursuing growth relentlessly

As Dennis Meadows, co-author of the seminal *Limits to Growth* report and its subsequent updates, points out, climate change, the loss of agriculturally productive land, water scarcity,

etc., are not so much problems as *symptoms*: symptoms of humanity's relentless and unquestioned pursuit of economic growth, at the national scale and, collectively, at the international scale. Growth has, admittedly, created enormous wealth for millions around the world over the past 60 years, but we need to ask ourselves whether, beyond a certain point, *growth at the global scale* doesn't become uneconomic. This is the point at which the marginal costs of growth begin to exceed the benefits. Today, science tells us that global growth is exacerbating the very problems we are trying to solve and pushing us in the *wrong* direction. In a world where humanity is already in overshoot, eroding further nature's ability to provide for us and absorb our wastes by encouraging people to consume more in the name of boosting the GDP is reckless and irresponsible. Is it not time to question whether reckless growth can be tolerated if we are to avert global ecological, and thus societal, collapse?

Wealth redistribution and fair Earthshares

What the world desperately needs is redistribution of existing wealth. Greater equity is a fundamental social imperative for sustainability. This goal also implies that the rich countries that consume more than their "fair Earthshare" need to switch their policy emphases from economic growth (quantitative increase) to social *development* (qualitative improvement). The world needs to move towards an ecological steady-state economic system based on the principle of sufficiency and away from a consumerist model that creates insatiable demands for material- and energy-intensive goods and services. This implies less pandering to greed and much more effort on equity. It follows that we need a combination of both self-restraint and conscious policy to develop sustainable production and consumption patterns.

National accounts and measuring well-being

Going further, "if you can't measure it, you can't manage it", so it is also necessary to reform national accounting, progressively letting go of GDP/GNP as the sole indicator of national "progress", and complementing it with indicators such as the Genuine Progress Indicator, the Index of Sustainable Economic Welfare, the Ecological Footprint, the Happy Planet Index, etc. Agenda 21 is clear on this point: "Consideration should [...] be given to the present concepts of economic growth and the need for new concepts of wealth and prosperity which allow higher standards of living through changed lifestyles and are less dependent on the Earth's finite resources and

more in harmony with the Earth's carrying capacity. This should be reflected in the evolution of new systems of national accounts and other indicators of sustainable development" (Chapter 4, 11).

Technology: not the panacea

New forms of technology and greater techno-efficiency are often held up as the only acceptable means to increase welfare while conserving natural resources. We hear that Factor 4 and Factor 10 efficiency gains can help dematerialize the economy and decouple economic growth from resource consumption. "Doing more with less" through technology, however, is only part of the answer. It must be accompanied by policies and behaviour changes that actually lead to *absolute* decreases in material and energy use while maintaining or enhancing quality of life, rather than merely reducing the energy and material intensity of growth (e.g. as some countries are doing in the fight against climate change). Indeed, history has shown that focusing on technology and efficiency can actually *undermine* sustainability if corrective steps are not taken to compensate for the "rebound effect": as a process becomes more efficient, its products become less expensive so individuals may tend to consume more of those products at the same cost to themselves than they otherwise would have. This cancels any intended benefit from the gain in efficiency. Alternatively, the savings gained from purchasing a more fuel-efficient vehicle, for example, may be spent on other energy-using goods and services which also undermines the ecological benefits of a more efficient vehicle. Technology also needs to be "appropriate": not only lead to absolute reductions in resource and energy use, but also be job friendly. As Dr. William Rees, inventor of the Ecological Footprint approach, remarks: "Technological fixes no doubt have a role to play, but the time has come to recognize that over-consumption is primarily a *cultural* problem [emphasis added]. Achieving sustainability will require a significant shift in the values and beliefs underpinning today's consumer society" (*Mything out on Sustainability*, 2000).

Governments have a prime responsibility

Fundamental changes in the ways societies produce and consume goods and services are needed immediately. For this to happen at the speed and scale that is now necessary, governments, above and beyond any other stakeholder, need to take their responsibilities seriously. As the overseers and guarantors of the public good they must act accordingly. Citizens

also have a strong role to play. Through their purchase and investment decisions, they are, in many respects, important change agents. Other important and sometimes active stakeholders include local authorities, in their abilities to direct change at the local level, and trade unions, in their capacity as workplace experts and as the main interface between the management and workers. However, what is urgently needed is *structural* change (change at the macro-economic level), which inevitably calls for institutional change (the type and scale of policies that are developed). Governments, in their role as policy and decisions makers as well as tax collectors and investors, are therefore the main players in the effort to move towards sustainable production and consumption patterns.

Implementation of sustainable consumption and production strategies is needed

A good starting point is for governments to implement their commitment made in Agenda 21 to "develop a domestic policy framework that will encourage a shift to more sustainable patterns of production and consumption" (4.17 [b]). These policy frameworks need to include the development and implementation of a National Strategy on Consumption and Production that will help society adopt a "one planet economy". To be effective, the strategy must set strong sustainability parameters that address the shift from scarce minerals to abundant ones, from non-renewable to renewable resources, from development on sensitive and rare habitats to brownfield-type locations, etc. It must incorporate important elements such as the principle of sufficiency (as opposed to infinite growth and insatiable consumer demand); ecological fiscal reform; clean and eco-effective production and education for sustainable production and consumption. It should also include constraints on counterproductive and increasingly antisocial messages communicated through publicity, advertising and marketing. Of course, the development of such strategies should include a relevant stakeholders and representatives of civil society throughout the entire process, including goal-setting, the establishment of targets and timetables, and creating agreed-upon mechanisms for monitoring, evaluation, and dispute settlement. Last but not least, governments should establish specific and generous budget lines allocated in their national budgets for implementation of their SCP strategies.